



# Senate

General Assembly

**File No. 647**

February Session, 2022

Substitute Senate Bill No. 229

*Senate, April 26, 2022*

The Committee on Appropriations reported through SEN. OSTEN of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

**AN ACT CONCERNING THE PROCESS BY WHICH A CHARTER IS GRANTED AND FUNDING IS PROVIDED FOR A NEW CHARTER SCHOOL.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective July 1, 2022*) There is established an  
2       account to be known as the charter school approval grant account which  
3       shall be a separate, nonlapsing account within the General Fund. The  
4       account shall contain any moneys required by law to be deposited in the  
5       account. Moneys in the account shall be expended by the Commissioner  
6       of Education, in accordance with the provisions of section 10-66ee of the  
7       general statutes, as amended by this act, for the purpose of providing  
8       the initial funding for a local or state charter school that has been  
9       granted a new charter pursuant to section 10-66bb of the general  
10       statutes, as amended by this act, in the fiscal year immediately following  
11       the fiscal year in which such charter was granted.

12       Sec. 2. Section 10-66ee of the 2022 supplement to the general statutes  
13       is amended by adding subsection (o) as follows (*Effective July 1, 2022*):

14 (NEW) (o) Any unexpended funds appropriated for purposes of this  
15 section shall not lapse at the end of the fiscal year but shall be deposited  
16 in the charter school approval grant account, established pursuant to  
17 section 1 of this act, and shall be available for expenditure during the  
18 next fiscal year in accordance with the provisions of said section.

19 Sec. 3. Section 10-66bb of the general statutes is repealed and the  
20 following is substituted in lieu thereof (*Effective July 1, 2022*):

21 (a) (1) On and after July 1, [1997, and prior to July 1, 2015] 2022, the  
22 State Board of Education may grant charters for local and state charter  
23 schools in accordance with this section. [On and after July 1, 2015, such  
24 state board may grant initial certificates of approval for charters for local  
25 and state charter schools in accordance with this section. Upon granting  
26 an initial certificate of approval for a charter, such state board shall  
27 submit a copy of the initial certificate of approval for the charter and a  
28 summary of the comments made at a public hearing conducted  
29 pursuant to subdivision (2) of subsection (e) of this section or  
30 subparagraph (B)(ii) of subdivision (1) of subsection (f) of this section,  
31 in accordance with section 11-4a, to the joint standing committees of the  
32 General Assembly having cognizance of matters relating to education  
33 and appropriations and the budgets of state agencies.]

34 (2) The General Assembly may appropriate funds to the [Department  
35 of Education for the purposes of providing grants to local and state  
36 charter schools, pursuant to section 10-66ee. If such funds are  
37 appropriated, an initial certificate of approval for a charter for a local or  
38 state charter school shall be effective and deemed a charter as of July  
39 first of the first fiscal year for which such funds are appropriated]  
40 charter school approval grant account, pursuant to section 1 of this act,  
41 for the purposes of providing the initial funding for a local or state  
42 charter school that has been granted a new charter. The Commissioner  
43 of Education shall expend, in accordance with the provisions of section  
44 10-66ee, as amended by this act, the funds appropriated to such account  
45 in the fiscal year immediately following the fiscal year in which such  
46 charter was granted.

47 (3) A charter [or initial certificate of approval for a charter] granted  
48 under this section shall not be considered a license, as defined in section  
49 4-166, for the purposes of chapter 54.

50 (b) Any not-for-profit organization that is exempt from taxation  
51 under Section 501(c)(3) of the Internal Revenue Code of 1986, or any  
52 subsequent corresponding internal revenue code of the United States,  
53 as amended from time to time, public or independent institution of  
54 higher education, local or regional board of education or two or more  
55 boards of education cooperatively, or regional educational service  
56 center may apply to the Commissioner of Education, at such time and  
57 in such manner as the commissioner prescribes, to [obtain an initial  
58 certificate of approval for a charter] establish a charter school, provided  
59 no nonpublic elementary or secondary school may be established as a  
60 charter school and no parent or group of parents providing home  
61 instruction may establish a charter school for such instruction.

62 (c) On and after July 1, [2015] 2022, the State Board of Education shall  
63 review, annually, all applications and grant [initial certificates of  
64 approval for] charters, in accordance with subsections (e) and (f) of this  
65 section, for a local or state charter school located in a town that has one  
66 or more schools that have been designated as a commissioner's network  
67 school, pursuant to section 10-223h, at the time of such application, or a  
68 town that has been designated as a low achieving school district,  
69 pursuant to section 10-223e, at the time of such application. (1) Except  
70 as provided for in subdivision (2) of this subsection, no state charter  
71 school shall enroll (A) (i) more than two hundred fifty students, or (ii)  
72 in the case of a kindergarten to grade eight, inclusive, school, more than  
73 three hundred students, or (B) twenty-five per cent of the enrollment of  
74 the school district in which the state charter school is to be located,  
75 whichever is less. (2) In the case of a state charter school found by the  
76 State Board of Education to have a demonstrated record of achievement,  
77 said board shall, upon application by such school to said board, waive  
78 the provisions of subdivision (1) of this subsection for such school. (3)  
79 The State Board of Education shall give preference to applicants for  
80 charter schools (A) whose primary purpose is the establishment of

81 education programs designed to serve one or more of the following  
82 student populations: (i) Students with a history of low academic  
83 performance, (ii) students who receive free or reduced priced lunches  
84 pursuant to federal law and regulations, (iii) students with a history of  
85 behavioral and social difficulties, (iv) students identified as requiring  
86 special education, (v) students who are English language learners, or  
87 (vi) students of a single gender; (B) whose primary purpose is to  
88 improve the academic performance of an existing school that has  
89 consistently demonstrated substandard academic performance, as  
90 determined by the Commissioner of Education; (C) that will serve  
91 students who reside in a priority school district pursuant to section 10-  
92 266p; (D) that will serve students who reside in a district in which  
93 seventy-five per cent or more of the enrolled students are members of  
94 racial or ethnic minorities; (E) that demonstrate highly credible and  
95 specific strategies to attract, enroll and retain students from among the  
96 populations described in subparagraph (A)(i) to (A)(vi), inclusive, of  
97 this subdivision; or (F) that, in the case of an applicant for a state charter  
98 school, such state charter school will be located at a work-site or such  
99 applicant is an institution of higher education. In determining whether  
100 to grant [an initial certificate of approval for] a charter, the State Board  
101 of Education shall consider (i) the effect of the proposed charter school  
102 on (I) the reduction of racial, ethnic and economic isolation in the region  
103 in which it is to be located, (II) the regional distribution of charter  
104 schools in the state, (III) the potential of over-concentration of charter  
105 schools within a school district or in contiguous school districts, and (IV)  
106 the state's efforts to close achievement gaps, as defined in section 10-  
107 1600, and (ii) the comments made at a public hearing conducted  
108 pursuant to subdivision (2) of subsection (e) of this section or  
109 subparagraph (B)(ii) of subdivision (1) of subsection (f) of this section.

110 (d) Applications pursuant to this section shall include a description  
111 of: (1) The mission, purpose and any specialized focus of the proposed  
112 charter school; (2) the interest in the community for the establishment of  
113 the charter school; (3) the school governance and procedures for the  
114 establishment of a governing council that (A) includes (i) teachers and  
115 parents and guardians of students enrolled in the school, and (ii) the

116 chairperson of the local or regional board of education of the town in  
117 which the charter school is located and which has jurisdiction over a  
118 school that resembles the approximate grade configuration of the  
119 charter school, or the designee of such chairperson, provided such  
120 designee is a member of the board of education or the superintendent of  
121 schools for the school district, or the superintendent's designee, and (B)  
122 is responsible for the oversight of charter school operations, provided  
123 no member or employee of the governing council may have a personal  
124 or financial interest in the assets, real or personal, of the school; (4) the  
125 financial plan for operation of the school, provided no application fees  
126 or other fees for attendance, except as provided in this section, may be  
127 charged; (5) the educational program, instructional methodology and  
128 services to be offered to students; (6) the number and qualifications of  
129 teachers and administrators to be employed in the school; (7) the  
130 organization of the school in terms of the ages or grades to be taught  
131 and the total estimated enrollment of the school; (8) the student  
132 admission criteria and procedures to (A) ensure effective public  
133 information, (B) ensure open access on a space available basis, including  
134 the enrollment of students during the school year if spaces become  
135 available in the charter school, (C) promote a diverse student body, and  
136 (D) ensure that the school complies with the provisions of section 10-15c  
137 and that it does not discriminate on the basis of disability, athletic  
138 performance or proficiency in the English language, provided the school  
139 may limit enrollment to a particular grade level or specialized  
140 educational focus and, if there is not space available for all students  
141 seeking enrollment, the school may give preference to siblings but shall  
142 otherwise determine enrollment by a lottery, except the State Board of  
143 Education may waive the requirements for such enrollment lottery  
144 pursuant to subsection (j) of this section; (9) a means to assess student  
145 performance that includes participation in mastery examinations,  
146 pursuant to section 10-14n; (10) procedures for teacher evaluation and  
147 professional development for teachers and administrators; (11) the  
148 provision of school facilities, pupil transportation and student health  
149 and welfare services; (12) procedures to encourage involvement by  
150 parents and guardians of enrolled students in student learning, school

151 activities and school decision-making; (13) procedures to document  
152 efforts to increase the racial and ethnic diversity of staff; (14) a five-year  
153 plan to sustain the maintenance and operation of the school; (15) a  
154 student recruitment and retention plan that shall include, but not be  
155 limited to, a clear description of a plan and the capacity of the school to  
156 attract, enroll and retain students from among the populations  
157 described in subparagraph (A)(i) to (A)(v), inclusive, of subdivision (3)  
158 of subsection (c) of this section; (16) a plan to share student learning  
159 practices and experiences with the local or regional board of education  
160 of the town in which the proposed charter school is to be located; and  
161 (17) in the case of an application in which the governing council of the  
162 proposed charter school intends to contract with a charter management  
163 organization for whole school management services: (A) Evidence of the  
164 charter management organization's ability to (i) serve student  
165 populations that are similar to the student population that will be served  
166 by the proposed charter school, (ii) create strong academic outcomes for  
167 students, and (iii) successfully manage nonacademic school functions,  
168 (B) a term sheet that sets forth (i) the length of the contract for whole  
169 school management services, (ii) the roles and responsibilities of the  
170 governing council of the proposed charter school, the staff of the  
171 proposed charter school and the charter management organization, (iii)  
172 the scope of services and resources to be provided by the charter  
173 management organization, (iv) the performance evaluation measures  
174 and timelines, (v) the compensation structure, including a clear  
175 identification of all fees to be paid to the charter management  
176 organization, (vi) the methods of contract oversight and enforcement,  
177 and (vii) the conditions for renewal and termination of the contract, and  
178 (C) evidence of compliance with the provisions of section 10-66tt.  
179 Subject to the provisions of subsection (b) of section 10-66dd, an  
180 application may include, or a charter school may file, requests to waive  
181 provisions of the general statutes and regulations not required under  
182 sections 10-66aa to 10-66nn, inclusive, and which are within the  
183 jurisdiction of the State Board of Education.

184 (e) An application for the establishment of a local charter school shall  
185 be submitted to the local or regional board of education of the school

186 district in which the local charter school is to be located for approval  
187 pursuant to this subsection. The local or regional board of education  
188 shall: (1) Review the application; (2) hold a public hearing in the school  
189 district on such application; (3) survey teachers and parents in the school  
190 district to determine if there is sufficient interest in the establishment  
191 and operation of the local charter school; and (4) vote on a complete  
192 application not later than seventy-five days after the date of receipt of  
193 such application. Such board of education may approve the application  
194 by a majority vote of the members of the board present and voting at a  
195 regular or special meeting of the board called for such purpose. If the  
196 application is approved, the board shall forward the application to the  
197 State Board of Education. The State Board of Education shall vote on the  
198 application not later than sixty days after the date of receipt of such  
199 application. Subject to the provisions of subsection (c) of this section, the  
200 State Board of Education may approve the application and grant [the  
201 initial certificate of approval for the] a charter for the local charter school  
202 or reject such application by a majority vote of the members of the state  
203 board present and voting at a regular or special meeting of the state  
204 board called for such purpose. The State Board of Education may  
205 condition [granting the initial certificate of approval for the charter for  
206 the local charter school on the applicant] the opening of such school on  
207 the school's meeting certain conditions determined by the  
208 Commissioner of Education to be necessary and may authorize the  
209 commissioner to release [the initial certificate of approval for] the  
210 charter when the commissioner determines such conditions are met.  
211 [After an initial certificate of approval for a charter for a local charter  
212 school is deemed a charter pursuant to subdivision (2) of subsection (a)  
213 of this section, such charter may be valid] The state board may grant the  
214 charter for the local charter school for a period of time of up to five years.  
215 The state board may allow the applicant to delay its opening for a period  
216 of up to one school year in order for the applicant to fully prepare to  
217 provide appropriate instructional services. On and after July 1, [2015,  
218 any initial certificate of approval for a] 2022, a charter granted by the  
219 state board to a local charter school shall include academic and  
220 organizational performance goals, developed by the state board, that set

221 forth the performance indicators, measures and metrics that will be used  
222 by the state board to evaluate the local charter school.

223 (f) (1) Except as otherwise provided in subdivision (2) of this  
224 subsection, an application for the establishment of a state charter school  
225 shall be (A) submitted to the State Board of Education for approval in  
226 accordance with the provisions of this subsection, and (B) filed with the  
227 local or regional board of education in the school district in which the  
228 charter school is to be located. The state board shall: (i) Review such  
229 application; (ii) hold a public hearing on such application in the school  
230 district in which such state charter school is to be located; (iii) solicit and  
231 review comments on the application from the local or regional board of  
232 education for the school district in which such charter school is to be  
233 located and from the local or regional boards of education for school  
234 districts that are contiguous to the district in which such school is to be  
235 located; and (iv) vote on a complete application not later than ninety  
236 days after the date of receipt of such application. The State Board of  
237 Education may approve an application and grant [the initial certificate  
238 of approval for] the charter for the state charter school by a majority vote  
239 of the members of the state board present and voting at a regular or  
240 special meeting of the state board called for such purpose. The State  
241 Board of Education may condition [granting the initial certificate of  
242 approval for the charter for the state charter school on the applicant] the  
243 opening of such school on the school's meeting certain conditions  
244 determined by the Commissioner of Education to be necessary and may  
245 authorize the commissioner to release [the initial certificate of approval  
246 for] the charter when the commissioner determines such conditions are  
247 met. [After an initial certificate of approval for a charter for a state  
248 charter school is deemed a charter pursuant to subdivision (2) of  
249 subsection (a) of this section, such charter may be valid] Charters shall  
250 be granted for a period of time of up to five years. The state board may  
251 allow the applicant to delay its opening for a period of up to one school  
252 year in order for the applicant to fully prepare to provide appropriate  
253 instructional services. On and after July 1, [2015, any initial certificate of  
254 approval for a] 2022, a charter granted by the state board to a state  
255 charter school shall include academic and organizational performance



256 goals, developed by the state board, that set forth the performance  
257 indicators, measures and metrics that will be used by the state board to  
258 evaluate the state charter school.

259 (2) [On and after July 1, 2012, and before July 1, 2015, the State Board  
260 of Education shall not approve more than four applications for the  
261 establishment of new state charter schools unless two of the four such  
262 applications are for the establishment of two new state charter schools  
263 whose mission, purpose and specialized focus is to provide dual  
264 language programs or other models focusing on language acquisition  
265 for English language learners. Approval of applications under this  
266 subdivision shall be in accordance with the provisions of this section.]  
267 For the fiscal year ending June 30, 2023, and each fiscal year thereafter,  
268 the State Board of Education shall not approve more than two  
269 applications for the establishment of a new state charter school in any  
270 fiscal year.

271 (g) Charters may be renewed, upon application, in accordance with  
272 the provisions of this section for the granting of such charters. Upon  
273 application for such renewal, the State Board of Education may  
274 commission an independent appraisal of the performance of the charter  
275 school that includes, but is not limited to, an evaluation of the school's  
276 compliance with the provisions of this section and, on and after July 1,  
277 2015, progress in meeting the academic and organizational performance  
278 goals set forth in the charter granted to the charter school. The State  
279 Board of Education shall consider the results of any such appraisal in  
280 determining whether to renew such charter. The State Board of  
281 Education may deny an application for the renewal of a charter if (1)  
282 student progress has not been sufficiently demonstrated, as determined  
283 by the commissioner, (2) the governing council has not been sufficiently  
284 responsible for the operation of the school or has misused or spent  
285 public funds in a manner that is detrimental to the educational interests  
286 of the students attending the charter school, (3) the school has not been  
287 in compliance with the terms of the charter, applicable laws and  
288 regulations, (4) the efforts of the school have been insufficient to  
289 effectively attract, enroll and retain students from among the following

290 populations: (A) Students with a history of low academic performance,  
291 (B) students who receive free or reduced priced lunches pursuant to  
292 federal law and regulations, (C) students with a history of behavioral  
293 and social difficulties, (D) students identified as requiring special  
294 education, or (E) students who are English language learners, or (5) the  
295 governing council of the state or local charter school has not provided  
296 evidence that such council has initiated substantive communication  
297 with the local or regional board of education of the town in which the  
298 state or local charter school is located to share student learning practices  
299 and experiences. If the State Board of Education does not renew a  
300 charter, it shall notify the governing council of the charter school of the  
301 reasons for such nonrenewal. On and after July 1, 2015, any charter  
302 renewed by the State Board of Education shall include academic and  
303 organizational performance goals, developed by the state board, that set  
304 forth the performance indicators, measures and metrics that will be used  
305 by the state board to evaluate the charter school.

306 (h) The Commissioner of Education may at any time place a charter  
307 school on probation if (1) the school has failed to (A) adequately  
308 demonstrate student progress, as determined by the commissioner, (B)  
309 comply with the terms of its charter or with applicable laws and  
310 regulations, (C) achieve measurable progress in reducing racial, ethnic  
311 and economic isolation, or (D) maintain its nonsectarian status, or (2) the  
312 governing council has demonstrated an inability to provide effective  
313 leadership to oversee the operation of the charter school or has not  
314 ensured that public funds are expended prudently or in a manner  
315 required by law. If a charter school is placed on probation, the  
316 commissioner shall provide written notice to the charter school of the  
317 reasons for such placement, not later than five days after the placement,  
318 and shall require the charter school to file with the Department of  
319 Education a corrective action plan acceptable to the commissioner not  
320 later than thirty-five days from the date of such placement. The charter  
321 school shall implement a corrective action plan accepted by the  
322 commissioner not later than thirty days after the date of such  
323 acceptance. The commissioner may impose any additional terms of  
324 probation on the school that the commissioner deems necessary to

325 protect the educational or financial interests of the state. The charter  
326 school shall comply with any such additional terms not later than thirty  
327 days after the date of their imposition. The commissioner shall  
328 determine the length of time of the probationary period, which may be  
329 up to one year, provided the commissioner may extend such period, for  
330 up to one additional year, if the commissioner deems it necessary. In the  
331 event that the charter school does not file or implement the corrective  
332 action plan within the required time period or does not comply with any  
333 additional terms within the required time period, the Commissioner of  
334 Education may withhold grant funds from the school until the plan is  
335 fully implemented or the school complies with the terms of probation,  
336 provided the commissioner may extend the time period for such  
337 implementation and compliance for good cause shown. Whenever a  
338 charter school is placed on probation, the commissioner shall notify the  
339 parents or guardians of students attending the school of the  
340 probationary status of the school and the reasons for such status. During  
341 the term of probation, the commissioner may require the school to file  
342 interim reports concerning any matter the commissioner deems relevant  
343 to the probationary status of the school, including financial reports or  
344 statements. No charter school on probation may increase its student  
345 enrollment or engage in the recruitment of new students without the  
346 consent of the commissioner.

347 (i) The State Board of Education may revoke a charter if a charter  
348 school has failed to: (1) Comply with the terms of probation, including  
349 the failure to file or implement a corrective action plan; (2) demonstrate  
350 satisfactory student progress, as determined by the commissioner; (3)  
351 comply with the terms of its charter or applicable laws and regulations;  
352 or (4) manage its public funds in a prudent or legal manner. Unless an  
353 emergency exists, prior to revoking a charter, the State Board of  
354 Education shall provide the governing council of the charter school with  
355 a written notice of the reasons for the revocation, including the  
356 identification of specific incidents of noncompliance with the law,  
357 regulation or charter or other matters warranting revocation of the  
358 charter. The State Board of Education shall also provide the governing  
359 council with the opportunity to demonstrate compliance with all

360 requirements for the retention of its charter by providing the State Board  
361 of Education or a subcommittee of the board, as determined by the State  
362 Board of Education, with a written or oral presentation. Such  
363 presentation shall include an opportunity for the governing council to  
364 present documentary and testimonial evidence to refute the facts cited  
365 by the State Board of Education for the proposed revocation or in  
366 justification of its activities. Such opportunity shall not constitute a  
367 contested case within the meaning of chapter 54. The State Board of  
368 Education shall determine, not later than thirty days after the date of an  
369 oral presentation or receipt of a written presentation, whether and when  
370 the charter shall be revoked and notify the governing council of the  
371 decision and the reasons therefor. A decision to revoke a charter shall  
372 not constitute a final decision for purposes of chapter 54. In the event an  
373 emergency exists in which the commissioner finds that there is  
374 imminent harm to the students attending a charter school, the State  
375 Board of Education may immediately revoke the charter of the school,  
376 provided the notice concerning the reasons for the revocation is sent to  
377 the governing council not later than ten days after the date of revocation  
378 and the governing council is provided an opportunity to make a  
379 presentation to the board not later than twenty days from the date of  
380 such notice.

381 (j) (1) The governing council of a state or local charter school may  
382 apply to the State Board of Education for a waiver of the requirements  
383 of the enrollment lottery described in subdivision (8) of subsection (d)  
384 of this section, provided such state or local charter school has as its  
385 primary purpose the establishment of education programs designed to  
386 serve one or more of the following populations: (A) Students with a  
387 history of behavioral and social difficulties, (B) students identified as  
388 requiring special education, (C) students who are English language  
389 learners, or (D) students of a single gender.

390 (2) An enrollment lottery described in subdivision (8) of subsection  
391 (d) of this section shall not be held for a local charter school that is  
392 established at a school that is among the schools with a percentage equal  
393 to or less than five per cent when all schools are ranked highest to lowest

394 in accountability index scores, as defined in section 10-223e.

395 Sec. 4. Section 10-66rr of the 2022 supplement to the general statutes  
 396 is repealed and the following is substituted in lieu thereof (*Effective July*  
 397 *1, 2022*):

398 On and after July 1, 2015, the State Board of Education shall require  
 399 members of the governing council of a state or local charter school and  
 400 members of a charter management organization to submit to a records  
 401 check of the Department of Children and Families child abuse and  
 402 neglect registry, established pursuant to section 17a-101k, and to state  
 403 and national criminal history records checks before the state board  
 404 grants [initial certificates of approval for] charters pursuant to section  
 405 10-66bb, as amended by this act, or before such members may be hired  
 406 by the governing council of a state or local charter school or charter  
 407 management organization. The governing council of a state or local  
 408 charter school shall require each contractor doing business with a state  
 409 or local charter school, who performs a service involving direct student  
 410 contact, to submit to a records check of the Department of Children and  
 411 Families child abuse and neglect registry, established pursuant to  
 412 section 17a-101k, and to state and national criminal history records  
 413 checks before such contractor begins to perform such service.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2022	New section
Sec. 2	July 1, 2022	10-66ee
Sec. 3	July 1, 2022	10-66bb
Sec. 4	July 1, 2022	10-66rr

Section 1	July 1, 2022	New section
Sec. 2	July 1, 2022	10-66ee
Sec. 3	July 1, 2022	10-66bb
Sec. 4	July 1, 2022	10-66rr

**ED** Joint Favorable Subst. C/R

APP

**APP** Joint Favorable

*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

## **OFA Fiscal Note**

### **State Impact:**

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Education, Dept.	GF - Redistribution	See Below	See Below

Note: GF=General Fund

### **Municipal Impact:** None

### **Explanation**

The bill establishes a non-lapsing charter school approval grant account to provide initial funding for a local or state charter school that has been granted a new charter. Any lapsing charter school funds will not be returned to the General Fund (which has a General Fund impact, estimated at \$1.7 million in FY 23) but will be transferred to the charter school approval grant account. The bill caps the number of new charters that may be granted by the State Board of Education at two per fiscal year, which limits the grant account's expenditures. The bill makes various other procedural changes to the charter school approval process, which are not anticipated to result in a fiscal impact.

### **The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****sSB 229*****AN ACT CONCERNING THE PROCESS BY WHICH A CHARTER IS GRANTED AND FUNDING IS PROVIDED FOR A NEW CHARTER SCHOOL.*****SUMMARY**

Under current law, the State Board of Education (SBE) may grant “initial certificates of approval” for charters for local and state charter schools. However, the new school’s initial certificate only becomes effective under the law as a full “charter” if the legislature appropriates funds to the State Department of Education for its operations. The school receives its charter as of July 1 in the fiscal year for which the funds are appropriated.

As of July 1, 2022, the bill allows SBE to grant full charters rather than initial certificates of approval. Additionally, it creates the “charter school approval grant account” within the General Fund to give initial funding to state and local charter schools that have been granted a new charter in the fiscal year immediately following the one in which the charter was granted instead of waiting for the legislature to appropriate the funds.

Additionally, the bill prohibits SBE from approving more than two new state charter schools per fiscal year beginning in FY 23.

It also makes several conforming changes and removes obsolete language in current law regarding SBE’s approval of applications for new state charter schools before July 1, 2015.

EFFECTIVE DATE: July 1, 2022

**§ 2 — CHARTER SCHOOL APPROVAL GRANT ACCOUNT**

Under the bill, the charter school approval grant account must be a

separate, nonlapsing account within the General Fund. It must contain any funds that the law requires to be deposited into it, which under the bill includes any unexpended state funds appropriated for local and state charter schools' per pupil operating grants.

**COMMITTEE ACTION**

## Education Committee

Joint Favorable Substitute Change of Reference - APP

Yea    25    Nay   14    (03/25/2022)

## Appropriations Committee

Joint Favorable

Yea    32    Nay   16    (04/07/2022)